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Scott M. Matheson, Governor Temple A. Reynolds, Executive Director Cleon B. Feight, Division Director

ACT/047/003

TO:

Jim Bradley, Acting Director, Utah Energy Office

FROM:

James W. Smith, Jr., Coordinator of Mined Land Development

SUBJECT:

Status of Paraho's Mining and Reclamation Permit Application

DATE:

August 9. 1982

Per your request at this morning's meeting, here is a summarization of Paraho's status relative to its mining and reclamation permit application with our Division.

Paraho submitted one copy of its reclamation plan on March 1, 1982. Additional copies were provided on May 19, 1982, along with a copy of the commercial feasibility study, following a staff site visit on May 6, 1982.

The Division's workload and several priority items, particularly involving coal, have contributed to our delay in reviewing Paraho's mining and reclamation plan. The Synthetic Fuel Corporation's announcement not to provide assistance to Paraho during the first round, coupled with no response from Paraho representatives that they were continuing with the project, also played a part in the delay. It was our decision to place Paraho's project on a lower priority, given the other items we had to review.

Staff comments regarding the various portions of the mining and reclamation plan (geology, soils, biology and engineering) have been formalized, with the exception of hydrology which should be completed this week. A consolidated response outlining all of our concerns should be forwarded to Paraho sometime next week. As we mentioned this morning, it appears that there are some deficiencies, however, no major obstacles are evident at this time.

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Given a timely and complete response from Paraho with any additional information required, as well as a timely Division review, the earliest that tentative approval and public notice could occur is the end of September following the Division's monthly Board Hearing. Subsequent to the thirty (30) day public comment period, assuming no adverse comments and posting of the required reclamation surety, final Division approval may be issued. Therefore, the end of October 1982 is the earliest that Paraho can expect a permit from us for the entire project.

Paraho representatives have informed us of a need to perform some geotechnical work this fall which would also entail construction of an access road. We see no problem in allowing this limited activity to proceed under the definition of exploration while the mining and reclamtion plan is under final review.

One additional item concerns GNC Energy Corporation's consideration by Snythetic Fuels Corporation for assistance. Our office does not have a mining and reclamation plan for this project. They are currently operating under a Declaration of Exemption (DOE) which involves less than two (2) acres of annual surface disturbance.

JWS/btb